

Message Text

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ACTION EB-08

INFO OCT-01 EUR-12 IO-13 ISO-00 FEA-01 AGRE-00 CEA-01
CIAE-00 COME-00 DODE-00 FRB-03 H-01 INR-07 INT-05
L-03 LAB-04 NSAE-00 NSC-05 PA-01 AID-05 SS-15 STR-04
ITC-01 TRSE-00 USIA-06 PRS-01 SP-02 OMB-01 XMB-02
EA-07 /109 W

-----020524 096758 /21

R 011830Z MAR 77

FM AMEMBASSY ROME

TO SECSTATE WASHDC 3052

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY PRIS

AMEMBASSY THE HAGUE

USMISSION EC BRUSSELS

USMISSION OECD PARIS

USDEL MTN GENEVA

LIMITED OFFICIAL USE ROME 3291

E.O. 11652: NA

TAGS: ETRD, GATT

SUBJECT: MFA RENEWAL

REFS: (A) STATE 38558; (B) ROME 3075

1. EMBOFF FOLLOWED UP AT MINISTRY OF FOREIGN TRADE (MFT)
ECMIN'S EARLIER APPROACH (SEE REF (B)) AT MINISTRY OF FOREIGN
AFFAIRS. IN ABSENCE FEDERICO GALDI (COMMERCIAL POLICY OFFICE
DIRECTOR), EMBOFF DELIEVERED COPY OF AIDE MEMOIRE BASED ON
REF (A) TO SALVADORI WHO HAS REPRESENTED GOI AT SOME MEETINGS

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ON TEXTILE COMMERCIAL POLICY IN GENEVA AND BRUSSELS.

2. SALVADORI SAID SHE PERSONALLY AGREED THAT MULTI-FIBER
AGREEMENT FRAMEWORK OFFERS AMPLE ROOM FOR DEALING WITH
PARTICULAR TEXTILE TRADE PROBLEMS AND THAT EC HAD NOT MADE
BEST USE OF IT, BUT, SHE SAID, AS SOON AS RESTRAINTS ARE
NEGOTIATED ON ONE SENSITIVE ITEM FROM ONE GEOGRAPHIC AREA,

THERE IS A DAMAGING INCURSION EITHER IN ANOTHER ITEM OR FROM ANOTHER AREA. ITALIAN TEXTILE INDUSTRY, THEREFORE, HAS BROUGHT GREAT PRESSURE ON GOI AND VIRTUALLY DOMINATES POLICY IN REGARD TO MFA RENEWAL. WHEN EMBOFF NOTED ITALIAN TEXTILE PRODUCTION HAD BEEN RISING STRONGLY, SHE AGREED BUT CLAIMED ITALIAN PRODUCTION TENDS TO RUN IN THREE-YEAR CYCLE FOR REASONS NOT CLEARLY UNDERSTOOD. THUS, INDUSTRY TENDED TO REACT TO LONGER TERM TREND AND UNCERTAINTIES CREATED BY SUDDEN INCREASES IN VARIOUS CATEGORIES OF TEXTILE IMPORTS. FOR THESE REASONS GOI WANTED MINOR ADJUSTMENTS TO MFA.

3. EMBOFF EMPHASIZED THAT OPENING MFA TO MINOR ADJUSTMENTS BY ONE PARTY WOULD LIKELY LEAD TO DEMANDS FOR OTHER "MINOR" ADJUSTMENTS BY OTHER PARTIES. RESULT WOULD BE INDUSTRIAL-DEVELOPING COUNTRY CONFRONTATION IN CONFERENCE ON INTERNATIONAL ECONOMIC COOPERATION, MULTILATERAL TRADE NEGOTIATIONS AND OTHER FORUMS. SALVADORI SAID SHE BELIEVED BOTH EC AND GOI ALREADY HAD TAKEN FIRM DECISION WHICH UNLIKELY TO BE CHANGED AT MARCH 8 EC COUNCIL MEETING.

4. SUBSEQUENT TO EMBOFF'S CONVERSATION WITH SALVADORI, ECOMIN RAISED SUBJECT WITH MFT DIRECTOR GENERAL FOR COMMERCIAL ACCORDS TRIOLI. SINCE TRIOLI NOT WELL BRIEFED ON ISSUE, ECOMIN URGED THAT HE REVIEW STATUS OF CONSIDERATION OF MFA RENEWAL WITHIN GOI AND THAT HE OBTAIN COPY OF AIDE MEMOIRE FROM SALVADORI. ECOMIN ALSO REITERATED OUR CONCERNS OVER CONSEQUENCES OF SEEKING MODIFICATIONS TO MFA AND OUR BELIEF THAT MFA PROVIDES SUFFICIENT FLEXIBILITY AND PROTECTION TO EC.

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5. TRIOLI PROMISED TO LOOK INTO THE MATTER. HOWEVER, HE WAS NOT SANGUINE THAT GOI WOULD AGREE TO DROP PROPOSAL FOR MODIFICATIONS. TRIOLI ADDED THAT LINE-UP IN EC IS NOW 7-2 (FRG AND DENMARK) IN FAVOR OF MODIFICATIONS. ONCE POSITION HAS BEEN ESTABLISHED AT MARCH 8 EC COUNCIL MEETING, IT WILL BE VERY DIFFICULT, TRIOLI ASSERTED, TO ALTER THAT POSITION. BEAUDRY

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AGREEMENTS, LESS DEVELOPED COUNTRIES, TEXTILES, NEGOTIATIONS, INDUSTRIALIZED NATIONS, AIDE MEMOIRE
Control Number: n/a
Copy: SINGLE
Sent Date: 01-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977ROME03291
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770071-0286
Format: TEL
From: ROME
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t197703105/aaaadoqb.tel
Line Count: 104
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: c2fa27ad-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 STATE 38558, 77 ROME 3075
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 03-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2949815
Secure: OPEN
Status: NATIVE
Subject: MFA RENEWAL
TAGS: ETRD, GATT
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/c2fa27ad-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009